HOUSE BILL No. 1658

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-13.6-2-3; IC 4-30-17-2; IC 4-30-17-4.1; IC 5-1.5-1-8; IC 5-22-1-2; IC 6-3.1-5-7; IC 9-27-4-5.5; IC 12-21-2-3; IC 13-20-18-10; IC 14-21-1-18; IC 14-21-1-18.5; IC 20; IC 21-6.1-8-3; IC 21-9-4-7.

Synopsis: Commission for higher education. Abolishes the commission for higher education. Transfers certain duties of the commission to other state agencies. Makes corresponding changes to related statutes.

Effective: July 1, 1999.

Goeglein

January 21, 1999, read first time and referred to Committee on Education.



First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in this style type. Also, the word NEW will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in this style type or this style type reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1658

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 4-13.6-2-3 IS AMENDED TO READ AS
2	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) This article
3	applies to every expenditure of public funds, regardless of their source
4	including federal assistance money, by any governmental body for any
5	public works project.
6	(b) This article does not apply to the following:
7	(1) The Indiana commission for higher education.
8	(2) (1) State educational institutions (as defined by
9	IC 20-12-0.5-1).
10	(3) (2) Military officers and military and armory boards of the
11	state.
12	(4) (3) The state fair commission.
13	(5) (4) Any entity established by the general assembly as a body
14	corporate and politic having authority and power to issue bonds
15	to be secured and repaid solely by revenues pledged for that
16	purpose. However, such an entity shall comply with this article it
17	the law creating the entity requires it to do so.



1	(6) (5) The Indiana department of transportation, except to the
2	extent that the Indiana department of transportation uses the
3	services provided by the department under this article.
4	SECTION 2. IC 4-30-17-2 IS AMENDED TO READ AS
5	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. As used in this
6	chapter, "eligible applicant" means the following:
7	(1) Any entity with the authority to impose ad valorem property
8	taxes except townships, including counties, cities, towns, special
9	taxing districts, school corporations, and any other entity that is
10	granted by statute or ordinance a right to impose user fees or
11	charges (referred to as political subdivisions in this chapter) as
12	long as the application is signed by the executive of the political
13	subdivision.
14	(2) The state, as long as the application is signed by the governor.
15	(3) State funded institutions of higher education. as long as the
16	application is approved by the higher education commission.
17	SECTION 3. IC 4-30-17-4.1 IS AMENDED TO READ AS
18	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4.1. (a) Money required
19	to be credited to the state and local capital projects account may be
20	used only for state and local capital projects or for deposit in a
21	revolving loan fund that may only be used for capital projects. Capital
22	projects include the construction of airports, airport facilities, and local
23	street and road projects. A state project is a capital project that is
24	proposed by the state or the higher education commission. a state
25	funded institution of higher education. A local project is a capital
26	project proposed by a political subdivision. An airport development
27	project that is eligible for a grant or loan under IC 8-21-11 is a local
28	capital project.
29	(d) (b) The money required to be credited to the state and local
30	capital projects account must be used to promote the maximum use of
31	other funds for capital projects, including using local matching
32	requirements, the consideration of various kinds of credit
33	enhancements, and the remarketing of debt issues secured by money in
34	the state and local capital projects account.
35	SECTION 4. IC 5-1.5-1-8 IS AMENDED TO READ AS
36	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. "Qualified entity"
37	means:
38	(1) a political subdivision (as defined in IC 36-1-2-13);
39	(2) a state educational institution (as defined in
40	IC 20-12-0.5-1(b)); IC 20-12-0.5-1);
41	(3) a leasing body (as defined in IC 5-1-1-1(a));

(4) a not-for-profit utility (as defined in IC 8-1-2-125);



1 2	(5) any rural electric membership corporation organized under IC 8-1-13;
3	(6) any corporation that was organized in 1963 under Acts 1935,
4	c. 157 and that engages in the generation and transmission of
5	electric energy;
6	(7) any telephone cooperative corporation formed under
7	IC 8-1-17;
8	(8) any commission, authority, or authorized body of any qualified
9	entity;
.0	(9) any organization, association, or trust with members,
1	participants, or beneficiaries that are all individually qualified
2	entities; or
.3	(10) any commission, authority, or instrumentality of the state.
4	SECTION 5. IC 5-22-1-2 IS AMENDED TO READ AS FOLLOWS
.5	[EFFECTIVE JULY 1, 1999]: Sec. 2. Except as provided in this article,
.6	this article does not apply to the following:
.7	(1) The commission for higher education.
.8	(2) (1) A state educational institution. However, IC 5-22-15
9	applies to a state educational institution.
20	(3) (2) Military officers and military and armory boards of the
21	state.
22	(4) (3) An entity established by the general assembly as a body
23	corporate and politic. However, IC 5-22-15 applies to a body
24	corporate and politic.
25	(5) (4) A local hospital authority under IC 5-1-4.
26	(6) (5) A municipally owned utility under IC 8-1-11.1 or IC 8-1.5.
27	(7) (6) Hospitals organized or operated under IC 16-22-1 through
28	IC 16-22-5, IC 16-23-1, or IC 16-24-1.
29	(8) (7) A library board under IC 20-14-3-14(b).
80	(9) (8) A local housing authority under IC 36-7-18.
31	(10) (9) Tax exempt Indiana nonprofit corporations leasing and
32	operating a city market owned by a political subdivision.
33	(11) (10) A person paying for a purchase or lease with funds other
34	than public funds.
35	(12) (11) A person that has entered into an agreement with a
36	governmental body under IC 5-23.
37	(13) (12) A municipality for the operation of municipal facilities
88	used for the collection, treatment, purification, and disposal in a
39	sanitary manner of liquid and solid waste, sewage, night soil, and
10	industrial waste.
11	SECTION 6. IC 6-3.1-5-7 IS AMENDED TO READ AS
12	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) To carry out the



1	purposes of this chapter, the state corporation shall be formed under
2	IC 23-1. The articles of incorporation of the state corporation shall
3	comply with the provisions set forth in subsections (b) through (i).
4	(b) The purpose of the state corporation shall be solely to raise funds
5	which shall be used to make investments in qualified entities described
6	in subsection (d) and to:
7	(1) provide financing to Indiana business firms described in
8	subsection (e) in a manner that will encourage capital investment
9	in Indiana;
10	(2) encourage the establishment or expansion of business and
11	industry in Indiana;
12	(3) provide additional jobs within Indiana; and
13	(4) encourage research and development activities.
14	(c) The directors need not be shareholders in the state corporation,
15	and there shall be not less than three (3) nor more than seven (7)
16	directors, three (3) of whom shall be persons who have been nominated
17	to be directors by the lieutenant governor.
18	(d) The state corporation may purchase new stock in a corporation
19	organized under IC 23-1, a new partnership interest in a limited
20	partnership, or a membership interest in a limited liability company
21	organized under IC 23-18 that has its principal office located in Indiana
22	if the corporation, partnership, or limited liability company:
23	(1) has received a license or a statement of intent to license as a
24	small business investment company from the Small Business
25	Administration of the United States under the Small Business
26	Investment Act of 1958, as amended; and
27	(2) is organized and operated solely for the purpose of performing
28	the functions and conducting the activities contemplated by the
29	Small Business Investment Act of 1958, as amended.
30	(e) The state corporation may provide financing to entities doing
31	business primarily in Indiana, including but not limited to minority
32	businesses, corporations, limited liability companies, and partnerships,
33	to be used solely for the purpose of enhancing the production capacity
34	of the entity or the ability of the entity to do business in Indiana. The
35	financing may include any combination of equity investments, loans,
36	guarantees, and commitments for financing, and the amount of
37	financing is unlimited.
38	(f) The state corporation may borrow from the industrial
39	development fund created by IC 4-4-8-2.
40	(g) No business shall be transacted or indebtedness incurred, except
41	such as shall be incidental to the state corporation's organization or to

obtaining subscriptions to or payment for its shares, until consideration



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1	for such shares equal to at least two million dollars (\$2,000,000) shall
2	have been paid in, which amount paid in shall be the initial stated
3	capital of the state corporation.
4	(h) Not less than five percent (5%) of the net income of the state
5	corporation for federal income tax purposes shall be contributed to
6	state universities to be used by the universities for research for the
7	purpose of developing business and industry in the state of Indiana.
8	The allocation of funds among the universities shall be directed by the
9	commission for higher education, department of workforce
10	development, which shall determine the universities and the amounts
11	in its discretion.
12	(i) The name of the state corporation shall be "Corporation for
13	Innovation Development".
14	SECTION 7. IC 9-27-4-5.5 IS AMENDED TO READ AS
15	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.5. (a) To receive an
16	instructor's license under subsection (d), an individual must complete
17	at least sixty (60) semester hours at a college. The individual must
18	complete at least twelve (12) semester hours in driver education
19	courses, of which three (3) semester hours must consist of supervised
20	student teaching experience under the direction of an individual who
21	has:
22	(1) a driver and traffic safety education endorsement issued by the
23	professional standards board established by IC 20-1-1.4; and
24	(2) at least five (5) years of teaching experience in driver
25	education.
26	(b) The three (3) semester hours of supervised student teaching
27	experience required under subsection (a) may only be undertaken by an
28	individual who will be at least twenty-one (21) years of age upon
29	completion and may only be performed at a high school, a commercial
30	driving school, or the college providing the courses for the individual
31	to become an instructor. The remaining nine (9) hours of driver
32	education courses required under subsection (a) must include a
33	combination of theoretical and behind-the-wheel instruction that is
34	consistent with nationally accepted standards in traffic safety.
35	(c) The driver education semester hours required under subsection
36	(a) do not satisfy the requirements of subsection (d) or (e) unless the
37	driver education curriculum is approved by the commission for higher
38	education. professional standards board established under
39	IC 20-1-1.4.

(d) The bureau shall issue an instructor's license to an individual

(1) The individual meets the requirements of subsection (a).



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who satisfies all of the following:

1	(2) The individual does not have more than the maximum number
2	of points for violating traffic laws specified by the bureau by rules
3	adopted under IC 4-22-2.
4	(3) The individual has a good moral character, physical condition,
5	knowledge of the rules of the road, and work history. The bureau
6	shall adopt rules under IC 4-22-2 that specify the requirements,
7	including requirements about criminal convictions, necessary to
8	satisfy the conditions of this subdivision.
9	(e) The bureau shall issue an instructor's license to an individual
10	who:
11	(1) during 1995, held an instructor's license;
12	(2) meets the requirements of subsection (d)(2) and (d)(3); and
13	(3) completes the twelve (12) semester hours of driver education
14	courses required under subsection (a) not later than July 1, 1999.
15	However, an individual who has acted as an instructor for at least two
16	(2) years before January 1, 1996, is not required to complete the
17	requirements of subdivision (3) in order to receive an instructor's
18	license under this subsection.
19	(f) The bureau shall issue an instructor's license to an individual
20	who:
21	(1) holds a driver and traffic safety education endorsement issued
22	by the professional standards board established under
23	IC 20-1-1.4; and
24	(2) meets the requirements of subsection (d)(2) and (d)(3).
25	(g) Only an individual who holds an instructor's license issued by
26	the bureau under subsection (d), (e), or (f) may act as an instructor.
27	SECTION 8. IC 12-21-2-3 IS AMENDED TO READ AS
28	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) In addition to the
29	general authority granted to the director under IC 12-8-8, the director
30	shall do the following:
31	(1) Organize the division, create the appropriate personnel
32	positions, and employ personnel necessary to discharge the
33	statutory duties and powers of the division or a bureau of the
34	division.
35	(2) Subject to the approval of the state personnel department,
36	establish personnel qualifications for all deputy directors,
37	assistant directors, bureau heads, and superintendents.
38	(3) Subject to the approval of the budget director and the
39	governor, establish the compensation of all deputy directors,
40	assistant directors, bureau heads, and superintendents.
41	(4) Study the entire problem of mental health, mental illness, and
42	addictions existing in Indiana.
T4	addictions existing in morana.



1	(5) Adopt rules under IC 4-22-2 for the following:
2	(A) Standards for the operation of private institutions that are
3	licensed under IC 12-25 for the diagnosis, treatment, and care
4	of individuals with psychiatric disorders, addictions, or other
5	abnormal mental conditions.
6	(B) Licensing supervised group living facilities described in
7	IC 12-22-2-3 for individuals who are mentally ill.
8	(C) Certifying community residential programs described in
9	IC 12-22-2-3 for individuals who are mentally ill.
10	(D) Certifying community mental health centers to operate in
11	Indiana.
12	(6) Institute programs, in conjunction with an accredited college
13	or university, and with the approval, if required by law, of the
14	commission for higher education under IC 20-12-0.5, for the
15	instruction of students of mental health and other related
16	occupations. The programs may be designed to meet requirements
17	for undergraduate and postgraduate degrees and to provide
18	continuing education and research.
19	(7) Develop programs to educate the public in regard to the
20	prevention, diagnosis, treatment, and care of all abnormal mental
21	conditions.
22	(8) Make the facilities of the Larue D. Carter Memorial Hospital
23	available for the instruction of medical students, student nurses,
24	interns, and resident physicians under the supervision of the
25	faculty of the Indiana University School of Medicine for use by
26	the school in connection with research and instruction in
27	psychiatric disorders.
28	(9) Institute a stipend program designed to improve the quality
29	and quantity of staff that state institutions employ.
30	(10) Establish, supervise, and conduct community programs,
31	either directly or by contract, for the diagnosis, treatment, and
32	prevention of psychiatric disorders.
33	(11) Adopt rules under IC 4-22-2 concerning the records and data
34	to be kept concerning individuals admitted to state institutions,
35	community mental health centers, or managed care providers.
36	(12) Establish, maintain, and reallocate before July 1, 1996,
37	one-third (1/3), and before January 1, 1998, the remaining
38	two-thirds (2/3) of the following:
39	(A) long term care service settings; and
40	(B) state operated long term care inpatient beds;
41	designed to provide services for patients with long term
42	psychiatric disorders as determined by the quadrennial actuarial



1	study under IC 12-21-5-1.5(9). A proportional number of long
2	term care service settings and inpatient beds must be located in an
3	area that includes a consolidated city and its adjacent counties.
4	(13) Compile information and statistics concerning the ethnicity
5	and gender of a program or service recipient.
6	(b) As used in this section, "long term care service setting" means
7	the following:
8	(1) The anticipated duration of the patient's mental health setting
9	is more than twelve (12) months.
10	(2) Twenty-four (24) hour supervision of the patient is available.
11	(3) A patient in the long term care service setting receives:
12	(A) active treatment if appropriate for a patient with a chronic
13	and persistent mental disorder or chronic addictive disorder;
14	(B) case management services from a state approved provider;
15	and
16	(C) maintenance of care under the direction of a physician.
17	(4) Crisis care is available.
18	(c) Funding for services under subsection (a)(12) shall be provided
19	by the division through the reallocation of existing appropriations. The
20	need of the patients is a priority for services. The division shall adopt
21	rules to implement subsection (a)(12) before July 1, 1995.
22	SECTION 9. IC 14-21-1-18 IS AMENDED TO READ AS
23	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18. (a) A:
24	(1) historic site or historic structure owned by the state; or
25	(2) historic site or historic structure listed on the state or national
26	register;
27	may not be altered, demolished, or removed by a project funded, in
28	whole or in part, by the state unless the review board has granted a
29	certificate of approval.
30	(b) An application for a certificate of approval:
31	(1) must be filed with the division; and
32	(2) shall be granted or rejected by the review board after a public
33	hearing.
34	(c) Subsections (a) and (b) do not apply to real property that is
35	owned by a state educational institution (as defined in IC 20-12-0.5-1).
36	(d) The commission for higher education and Each state educational
37	institution, in cooperation with the division of historic preservation and
38	archeology, shall develop and continually maintain a survey of historic
39	sites and historic structures owned by the state educational institution.
40	Historic sites and historic structures include buildings, structures,
41	outdoor sculpture, designed landscapes, gardens, archeological sites,
42	cemeteries, campus plans, and historic districts. A survey developed



1	under this subsection must conform with the Indiana Historic Sites and
2	Structures Survey Manual.
3	(e) The state historic preservation officer no later than one (1) year
4	after receipt of a ten (10) year capital plan under IC 14-21-1-18.5 shall:
5	(1) review a proposed state college or university project that
6	involves a historic site or historic structure owned by a state
7	educational institution; and
8	(2) submit an advisory report to the commission for higher
9	education, the state educational institution and the general
10	assembly.
11	(f) Not more than thirty (30) days after a state college or university,
12	under section 18.6 of this chapter, submits to the division a description
13	of a proposed project that involves the substantial alteration,
14	demolition, or removal of a historic site or historic structure, the state
15	historic preservation officer shall:
16	(1) review the description of the proposed project; and
17	(2) submit to the state college or university an advisory report
18	concerning the proposed project.
19	The state college or university shall review and consider the advisory
20	report before proceeding with the substantial alteration, demolition, or
21	removal of a historic site or historic structure.
22	SECTION 10. IC 14-21-1-18.5 IS AMENDED TO READ AS
23	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18.5. When submitting
24	its biennial budget request, a state college or university must:
25	(1) submit to the division of historic preservation and archeology
26	of the department of natural resources a copy of any ten (10) year
27	capital plan of the college or university that is required by the
28	budget agency; or the commission for higher education; and
29	(2) identify the projects included in the capital plan that may
30	involve the alteration or demolition of historic sites or structures.
31	SECTION 11. IC 20-1-18.3-4 IS AMENDED TO READ AS
32	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. As used in this
33	chapter, "state educational institution" has the meaning set forth in
34	IC 20-12-0.5-1(b). IC 20-12-0.5-1.
35	SECTION 12. IC 20-1-18.3-10 IS AMENDED TO READ AS
36	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) The commission
37	shall develop and implement a long range state plan for a
38	comprehensive vocational education program in Indiana.
39	(b) This plan shall be kept current. The plan and any revisions made
40	to this plan shall be made available to the governor, the general
41	assembly, the Indiana state board of education, and the department of
42	education, the commission for higher education, the state human



1	resource investment council, the Indiana commission on proprietary
2	education, and any other appropriate state or federal agency.
3	(c) The plan must set forth specific goals for public vocational
4	education at all levels and must include the following:
5	(1) The preparation of each graduate for both employment and
6	further education.
7	(2) Accessibility of vocational education to persons of all ages
8	who desire to explore and learn for economic and personal
9	growth.
10	(3) Projected employment opportunities in various vocational and
11	technical fields.
12	(4) A study of the supply of and the demand for a labor force
13	skilled in particular vocational and technical areas.
14	(5) A study of technological and economic change affecting
15	Indiana.
16	(6) An analysis of the private vocational sector in Indiana.
17	(7) Recommendations for improvement in the state vocational
18	education program.
19	(8) The educational levels expected of programs proposed to meet
20	the projected employment needs.
21	SECTION 13. IC 20-1-18.3-11 IS AMENDED TO READ AS
22	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. The commission
23	shall also do the following:
24	(1) Make recommendations to the general assembly concerning
25	the development, duplication, and accessibility of employment
26	training and vocational education on a regional and statewide
27	basis.
28	(2) Consult with any state agency, commission, or organization
29	that supervises or administers programs of vocational education
30	concerning the coordination of vocational education, including
31	the following:
32	(A) The department of commerce.
33	(B) The state human resource investment council.
34	(C) A private industry council (as defined in 29 U.S.C. 1501
35	et seq.).
36	(D) The department of labor.
37	(E) The Indiana commission on proprietary education.
38	(F) The commission for higher education.
39	(G) (F) The Indiana state board of education.
40	(3) Review and make recommendations concerning plans
41	submitted by the Indiana state board of education. and the
42	commission for higher education. The commission may request



1	the resubmission of plans or parts of plans that do not meet the
2	following criteria:
3	(A) Consistency with the long range state plan of the
4	commission.
5	(B) Evidence of compatibility of plans within the system.
6	(C) Avoidance of duplication of existing services.
7	(4) Report to the general assembly on the commission's
8	conclusions and recommendations concerning interagency
9	cooperation, coordination, and articulation of vocational
10	education and employment training.
11	(5) Study and develop a plan concerning the transition between
12	secondary level vocational education and postsecondary level
13	vocational education.
14	(6) Enter into agreements with the federal government that may
15	be required as a condition of receiving federal funds under the
16	Vocational Education Act (20 U.S.C. 2301 et seq.). An agreement
17	entered into under this subdivision is subject to the approval of
18	the budget agency.
19	SECTION 14. IC 20-1-18.5-4 IS AMENDED TO READ AS
20	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The:
21	(1) superintendent of public instruction; and
22	(2) commissioner of the commission for higher education; and
23	(3) (2) commissioner of the department of workforce
24	development;
25	shall jointly develop guidelines governing the development of the
26	workforce partnership plans, including guidelines for the subjects
27	described in subsection (b).
28	(b) The guidelines must cover the following:
29	(1) A time schedule for institutions to comply with this chapter.
30	(2) A format for the workforce partnership plans.
31	(3) Boundaries constituting the geographic areas described in
32	sections 2 and 3 of this chapter.
33	(4) Any other pertinent matter.
34	SECTION 15. IC 20-1-18.5-5 IS AMENDED TO READ AS
35	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. Notwithstanding any
36	other law and after an institution is required to enter into a workforce
37	partnership plan under this chapter, to:
38	(1) be eligible to receive federal and state funds for the
39	institution's vocational and technical education program at the
40	secondary level and postsecondary level; and
41	(2) receive vocational and technical education program approval
42	by:



1	(A) the Indiana state board of education for secondary level
2	programs; and
3	(B) the commission for higher education state human
4	resource investment council for postsecondary level
5	programs;
6	for any vocational and technical education programs requiring
7	approval; and
8	(3) be eligible to complete the program review process by the
9	commission for higher education for postsecondary level
10	vocational and technical education programs;
11	an institution's workforce partnership plan must be approved by the
12	Indiana commission on vocational and technical education of the
13	department of workforce development.
14	SECTION 16. IC 20-1-18.5-7 IS AMENDED TO READ AS
15	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The Indiana state
16	board of education and the commission for higher education state
17	human resource investment council may review and provide
18	recommendations on each plan biennially.
19	SECTION 17. IC 20-1-19-3 IS AMENDED TO READ AS
20	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (Membership) The
21	commission shall be composed of seven (7) six (6) members, one (1)
22	of whom shall be the superintendent of public instruction or his the
23	superintendent's designee. and one (1) of whom shall be the executive
24	officer of the Commission for Higher Education or his designee. The
25	remaining five (5) members shall be appointed by the governor for a
26	term of four (4) years, except that the first appointments to the
27	commission which shall be made so as to provide one (1) one-year, one
28	(1) two-year, one (1) three-year, and two (2) four-year terms on said
29	commission. Not more than three (3) of the members appointed by the
30	governor shall be from any one (1) political party. Of the five (5)
31	members appointed by the governor, one (1) shall have been engaged
32	for a period of not less than five (5) years immediately preceding their
33	the appointment in an executive or managerial position in a
34	postsecondary proprietary educational institution subject to this
35	chapter, one (1) shall have been engaged in administering or managing
36	an industrial employee training program for a period of not less than
37	five (5) years immediately preceding his the appointment and three (3)
38	shall be representatives of the public at large who are not
39	representatives of the types of postsecondary proprietary educational
40	institutions to be accredited; provided, however, that no elected or
41	appointed state or local official nor any member of a private or public

school shall be appointed as a representative of the public at large. Any



1	appointment to fill a vacancy occurring on the commission shall be for
2	the unexpired term.
3	SECTION 18. IC 20-1-20-8 IS AMENDED TO READ AS
4	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The department
5	of workforce development is the lead agency for implementing this
6	chapter.
7	(b) The department and the department of workforce development
8	and the commission for higher education shall provide staff support to
9	the panel.
10	SECTION 19. IC 20-1-20-10 IS AMENDED TO READ AS
11	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) In addition to
12	the duties set forth in section 9 of this chapter, the panel shall make
13	recommendations concerning statewide technical proficiencies to the
14	department. and the commission for higher education.
15	(b) The board shall establish a curriculum based upon the
16	recommendations under subsection (a).
17	(c) The commission for higher education shall incorporate the
18	recommended statewide technical proficiencies into the commission's
19	standards for program approval in this regard.
20	SECTION 20. IC 20-1-20-12 IS AMENDED TO READ AS
21	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. Beginning in 1991,
22	the panel shall submit a report before August 1 of each year to the
23	governor, the general assembly, and the Indiana state board of
24	education and the commission for higher education detailing the panel's
25	work.
26	SECTION 21. IC 20-8.1-10-6 IS AMENDED TO READ AS
27	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) An advisory
28	board for the academy is created.
29	(b) Fifteen (15) Fourteen (14) members shall be appointed to the
30	advisory board as follows:
31	(1) The superintendent as an ex officio member.
32	(2) The chairman of the curriculum committee of the state board
33	of education as an ex officio member.
34	(3) The commissioner of the commission on higher education as
35	an ex officio member.
36	(4) (3) Seven (7) members appointed by the superintendent as
37	follows:
38	(A) Two (2) members who are classroom teachers.
39	(B) Two (2) members who are public school administrators.
40	(C) One (1) member who represents the parents of public
41	school students.
42	(D) Two (2) members who are former students of the academy.



1	(5) (4) Five (5) members appointed by the governor as follows:
2	(A) Two (2) representatives from public institutions of higher
3	education in Indiana.
4	(B) One (1) representative from a private institution of higher
5	education in Indiana.
6	(C) Two (2) individuals representing business and industry.
7	(c) At the expiration of the terms of the initial appointees, their
8	successors shall be appointed to four (4) year terms beginning on July
9	1 in the year of their appointments. A member may be reappointed to
10	the advisory board.
11	(d) A vacancy in any appointive term under this section shall be
12	filled for the unexpired part of the term by appointment of the officer
13	who appointed the person creating the vacancy.
14	(e) On July 1 of each year, the superintendent shall designate a
15	member to serve as chairman. The advisory board shall elect other
16	officers annually to serve terms from July 1 through June 30.
17	(f) An advisory board member is not entitled to the minimum salary
18	per diem as provided in IC 4-10-11-2.1(b) while performing the
19	member's duties. A member is entitled to reimbursement for traveling
20	expenses and other expenses actually incurred in connection with the
21	member's duties, as provided in the state travel policies and procedures
22	established by the department of administration and approved by the
23	state budget agency.
24	(g) The chairman shall call the meetings of the advisory board.
25	(h) A majority of the advisory board constitutes a quorum for the
26	purpose of doing business.
27	SECTION 22. IC 20-10.1-5.6-1 IS AMENDED TO READ AS
28	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) The technology
29	preparation task force is established to design and approve:
30	(1) technology preparation curriculum models; and
31	(2) teacher and staff training to implement the technology
32	preparation models.
33	(b) The state superintendent and the commissioner of workforce
34	development and the executive officer of the commission for higher
35	education shall each appoint three (3) persons to the task force. The
36	persons appointed to the task force must include representatives of
37	local school corporations and state educational institutions.
38	(c) The curriculum models developed by the task force must:
39	(1) be performance based;
40	(2) upon the satisfactory fulfillment of the curriculum:
41	(A) provide a student with the skills necessary to gain
42	employment upon graduation from high school: and



1	(B) provide a student with the subject or skills areas required
2	by a state educational institution (as defined in IC 20-12-0.5-1)
3	to gain admittance into the respective state educational
4	institution;
5	(3) relate to a broad scope of occupational opportunities;
6	(4) include math, science, and English/language arts courses,
7	taught through practical application and designed to meet
8	graduation requirements for those subjects;
9	(5) be designed to include secondary and postsecondary sequence
10	models; and
11	(6) allow for dual credit, advanced study, and cooperative
12	agreements.
13	(d) The task force shall identify certain occupations for secondary
14	and postsecondary articulation curriculum agreements in cooperation
15	with the department of workforce development.
16	(e) By July 1, 1993, the state board shall adopt the technology
17	preparation curriculum models.
18	SECTION 23. IC 20-10.1-16-7 IS AMENDED TO READ AS
19	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The scoring of
20	student responses under an ISTEP test:
21	(1) must measure student achievement relative to the educational
22	proficiency standards established by the Indiana state board of
23	education;
24	(2) must adhere to scoring rubrics and anchor papers; and
25	(3) may not reflect the scorer's judgment of the values expressed
26	by a student in the student's responses.
27	(b) This subsection applies to reports of scores in mathematics and
28	English language arts. Reports must:
29	(1) provide scores indicating student performance relative to each
30	of the educational proficiency standards:
31	(A) established by the Indiana state board of education; and
32	(B) assessed by the test;
33	(2) be related to passing scores established by the board; and
34	(3) contain the information listed in subdivisions (1) and (2) for
35	the following levels:
36	(A) Individual student.
37	(B) Classroom.
38	(C) School.
39	(D) School corporation.
40	(E) The state of Indiana.
41	(c) Reports of student scores must be:
42	(1) returned to the school corporation that administered the test;



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1	and
2	(2) accompanied by a guide for interpreting scores.
3	(d) After reports of student scores are returned to a school
4	corporation, the school corporation shall promptly do the following:
5	(1) Give each student and the student's parent or guardian the
6	student's ISTEP scores.
7	(2) Make available for inspection to each student and the student's
8	parent or guardian the following:
9	(A) A copy of the essay questions and prompts used in
10	assessing the student.
11	(B) A copy of the student's scored essays.
12	(C) A copy of the anchor papers and scoring rubrics used to
13	score the student's essays.
14	A student's parent or guardian may request a rescoring of a student's
15	responses to a test, including a student's essay. No individual's ISTEP
16	scores may be disclosed to the public.
17	(e) After a school receives score reports, the school shall schedule
18	a parent/teacher conference with the following:
19	(1) A parent who requests a parent/teacher conference on the
20	scores of the parent's child.
21	(2) The parent of each student who does not receive a passing
22	score on the test. The conference must include a discussion of:
23	(A) the student's test scores, including subscores on
24	educational proficiencies; and
25	(B) the proposed remediation plan for the student.
26	(f) The aggregate results of the ISTEP tests shall be compiled by
27	each school corporation in a manner that will permit evaluation of
28	learning progress within the school corporation. The school corporation
29	shall make the compilation of test results available for public
30	inspection and shall provide that compilation to the parent or guardian
31	of each student tested under the ISTEP program.
32	(g) The department shall develop a format for the publication by
33	school corporations in an annual performance report required by statute
34	of appropriate academic information required by the department,
35	including ISTEP scores, in a manner that a reasonable person can
36	easily read and understand.
37	(h) The school corporation shall provide the ISTEP program test
38	results on a school by school basis to the department upon request.
39	(i) Upon request by the commission for higher education, the
40	department shall provide ISTEP program test results to the commission
41	for those students for whom the commission under 20 U.S.C. 1232(g)



has obtained consent.

1	SECTION 24. IC 20-12-0.5-1 IS AMENDED TO READ AS
2	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this
3	chapter:
4	"Commission" refers to the commission for higher education.
5	"State educational institution" means any university, college, or
6	other educational institution, existing on or after March 29, 1971, in
7	Indiana, for the purpose of providing programs of collegiate or
8	university education or other postsecondary education and which is
9	supported in whole or in part by appropriations made by the general
10	assembly.
11	"Vocational education" means any postsecondary vocational,
12	agricultural, occupational, manpower, employment, or technical
13	training or retraining of less than a baccalaureate level that:
14	(1) is offered by a state educational institution; and
15	(2) enhances an individual's career potential.
16	SECTION 25. IC 20-12-1-10 IS AMENDED TO READ AS
17	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) As used in this
18	section, "requisite proficiency" means the satisfaction by a student of
19	the standards approved by the workforce proficiency panel within the
20	department of workforce development under subsection (d) to receive
21	a postsecondary level certificate of achievement in a technical field.
22	(b) As used in this section, "student" refers to a student who is
23	enrolled in a state educational institution in a technical education
24	program.
25	(c) As used in this section, "technical education program" means a
26	postsecondary level technical education program:
27	(1) offered by a state educational institution; and
28	(2) approved by the commission for higher education under
29	IC 20-12-0.5-8; and
30	(3) (2) of less than a baccalaureate degree.
31	(d) The workforce proficiency panel within the department of
32	workforce development shall adopt for:
33	(1) statewide implementation by the 1994-95 school year; and
34	(2) each postsecondary level technical education program;
35	the standards for each certificate of achievement and the instrument or
36	assessment by which a student is given the opportunity to demonstrate
37	the requisite proficiency.
38	(e) The workforce proficiency panel within the department of
39	workforce development, the state educational institutions, and the
40	Indiana state board of education and the commission for higher
41	education shall cooperate with each other to implement this section.

(f) The postsecondary level certificate of achievement assessment



instruments	must	provide	each	student	with	the	opportunity	to
demonstrate	the re	quisite pr	oficie	ncy in the	e subje	ect o	r skill area in	an
applied man	ner.							
(o) This s	ection	may not	he con	strued to	requi	re a s	tate educatio	nal

- (g) This section may not be construed to require a state educational institution to offer opportunities for postsecondary level certificates of achievement for technical programs that the state educational institution does not offer.
- (h) The Indiana commission on vocational and technical education within the department of workforce development shall do the following:
 - (1) Provide opportunities for adult learners to achieve a postsecondary level certificate of achievement.
 - (2) Adopt rules under IC 4-22-2 to implement this section in accordance with the recommendations of the workforce proficiency panel concerning standards for the certificates of achievement.

SECTION 26. IC 20-12-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) In addition to projects authorized by the general assembly, the trustees of each higher education institution may engage in any of the following projects so long as there are funds available for the project and the project meets any of the applicable conditions:

- (1) Each project to construct buildings or facilities of a cost greater than two hundred thousand dollars (\$200,000), or to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds one hundred thousand dollars (\$100,000), must be reviewed by the commission for higher education and approved by the governor upon recommendation of the budget agency. If any part of the cost of the project as specified in section 3 of this chapter is paid by state appropriated funds or by mandatory student fees assessed all students and if the project is to construct buildings or facilities of a cost greater than five hundred thousand dollars (\$500,000), or to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds three hundred thousand dollars (\$300,000), the project must also be approved by the general assembly. Nothing herein limits the trustees in supplementing projects approved by the general assembly from gifts or other available funds so long as approval for the expansion of projects is given by the governor on review by the commission for higher education and recommendation of the budget agency.
- (2) Each repair and rehabilitation project must be reviewed by the



1	commission for higher education and approved by the governor
2	on recommendation of the budget agency, if the cost of the project
3	exceeds five hundred thousand dollars (\$500,000) and if any part
4	of the cost of the project is paid by state appropriated funds or by
5	mandatory student fees assessed all students. If no part of the cost
6	of the repair and rehabilitation project is paid by state
7	appropriated funds or by mandatory student fees assessed all
8	students, the review and approval requirements of this subdivision
9	apply only if the project exceeds one million dollars (\$1,000,000).
10	(3) Each project to lease, other than a project to lease-purchase,
11	a building or facility must be reviewed by the commission for
12	higher education and approved by the governor, on
13	recommendation of the budget agency, if the annual cost of the
14	project exceeds fifty thousand dollars (\$50,000).
15	(b) The review and approval requirements of subsection (a)(1) do
16	not apply to a project to construct buildings or facilities or to purchase
17	or lease-purchase land, buildings, or facilities if the project involves the
18	expansion or improvement of housing for students undertaken entirely
19	by a fraternity or sorority at the state educational institution.
20	SECTION 27. IC 20-12-5.5-4 IS AMENDED TO READ AS
21	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. To pay the cost of a
22	project authorized under this chapter, the following funds may be used:
23	(1) Any funds appropriated for the project by the current or any
24	preceding general assembly, subject to allocation of the funds by
25	the state budget agency, with approval of the governor.
26	(2) Any funds derived from the issuance and sale of bonds by the
27	trustees of any of the higher education institutions, so long as the
28	issuance of the bonds which are to be supported by mandatory
29	student fees assessed all students has been approved by the
30	general assembly for each applicable project.
31	(3) Any funds derived from earnings, farm and miscellaneous
32	sales, or other receipts, so long as each project to construct
33	buildings or facilities of a cost of greater than ninety thousand
34	dollars (\$90,000) or each project to purchase or lease-purchase
35	land, buildings, or facilities the principal value of which exceeds
36	fifty thousand dollars (\$50,000) is reviewed by the commission
37	for higher education and approved by the governor on

for higher education and approved by the governor on recommendation of the budget agency.

(4) Any federal funds granted and allowed a higher education institution for a project to construct buildings or facilities, so long as each project of a cost of greater than ninety thousand dollars (\$90,000) or each project to purchase or lease-purchase land,



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1	buildings, or facilities the principal value of which exceeds fifty
2	thousand dollars (\$50,000) is reviewed by the commission for
3	higher education and approved by the governor on
4	recommendation of the budget agency.
5	(5) Any available funds derived from gifts, bequests, devises, or
6	from any other source not listed in provisions (1) through (4) of
7	this section, so long as each project to construct buildings, or
8	facilities of a cost of greater than ninety thousand dollars
9	(\$90,000) or each project to purchase or lease-purchase land,
.0	buildings or facilities the principal value of which exceeds fifty
1	thousand dollars (\$50,000) is reviewed by the commission for
.2	higher education and approved by the governor on
.3	recommendation of the budget agency.
.4	SECTION 28. IC 20-12-5.5-7 IS AMENDED TO READ AS
.5	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) As used in this
.6	section, "qualified energy savings project" means a facility alteration
7	designed to reduce energy consumption costs or other operating costs,
.8	including the following:
9	(1) Providing insulation of the facility and systems within the
20	facility.
21	(2) Installing or providing for window and door systems,
22	including:
23	(A) storm windows and storm doors;
24	(B) caulking or weatherstripping;
25	(C) multi-glazed windows and doors;
26	(D) heat absorbing or heat reflective glazed and coated
27	windows and doors;
28	(E) additional glazing;
29	(F) reduction in glass area; and
80	(G) other modifications that reduce energy consumption.
31	(3) Installing automatic energy control systems.
32	(4) Modifying or replacing heating, ventilating, or air
33	conditioning systems.
34	(5) Unless an increase in illumination is necessary to conform to
35	Indiana laws or rules or local ordinances, modifying or replacing
36	lighting fixtures to increase the energy efficiency of the lighting
37	system without increasing the overall illumination of a facility.
88	(6) Providing for other energy conservation measures that reduce
89	energy consumption or reduce operating costs.
10	(b) As used in this section, "qualified provider" means a person or
1	business experienced in the design, implementation, and installation of
12	energy and operational cost savings systems.



- 21 (c) As used in this section, "energy cost savings contract" means a contract between a higher education institution and a qualified provider for the implementation of at least one (1) qualified energy savings project and related measures. (d) A higher education institution may undertake a qualified energy savings project as provided in this section. If the part of the qualified energy savings project related to real property improvements is greater than five hundred thousand dollars (\$500,000), the project must be reviewed by the commission for higher education and approved by the governor and the budget director on the recommendation of the budget committee. A qualified energy savings project does not require the prior approval of the general assembly, notwithstanding the source of payment for the project or bonds issued to fund the project. (e) A higher education institution may submit a request for proposals to qualified providers for an energy cost savings contract and may enter into an energy cost savings contract with a qualified provider under this section. The contract must provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time. The contract may provide that energy cost savings are guaranteed by the qualified provider to the extent necessary to make payments for the qualified energy savings project. A qualified provider shall provide a sufficient bond to the higher education institution for the installation and the faithful performance of all the measures included in the contract. The contract may also include
 - (f) A request for proposals must include the following:

reduce energy or operational costs.

(1) The name and address of the higher education institution.

contracts for building operation programs and maintenance and

management or similar agreements with the qualified provider to

- (2) The name, address, title, and phone number of a contact person.
- (3) The date, time, and place where proposals must be received.
- (4) Evaluation criteria for assessing the proposals.
- (5) A reasonably functional description of the facilities to be covered by the request for proposals or the maximum dollar cost of the qualified energy savings project subject to the request for proposals, or both.
- (6) Any other stipulations and clarifications the higher education institution may require.
- (g) The higher education institution shall select the qualified provider and enter into an energy cost savings contract or contracts for a qualified energy savings project that best meets the needs of the



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higher education institution. The higher education institution shall provide public notice of the meeting at which it proposes to award an energy cost savings contract by publication one (1) time, at least ten (10) days in advance, in newspapers described in IC 4-1-5-1. The public notice must disclose the names of parties to the proposed energy cost savings contract and contain a reasonably functional description of the qualified energy savings project and the measures covered by the contract and project.

- (h) After reviewing proposals submitted under this section, a higher education institution may enter into energy cost savings contracts with a qualified provider if the higher education institution reasonably expects that the cost of a qualified energy savings project recommended in the proposal would not exceed the amount to be saved in either energy or operational costs, or both, within the ten (10) year period following the date installation is complete if the recommendations in the proposal are followed. An energy cost savings contract may also include a guaranty from the qualified provider to the higher education institution that either the energy or operational cost savings, or both, will meet or exceed the cost of the energy cost savings projects not later than ten (10) years after the date installation is complete.
- (i) Energy cost and operational savings realized from a qualified energy savings project and an energy cost savings contract shall not reduce the amount of state appropriations otherwise available to the higher education institution.

SECTION 29. IC 20-12-19.3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) In addition, not later than thirty (30) days after the end of each semester (or its equivalent if the institution does not conduct its academic year on a semester basis), each institution shall provide the commission and the commission for higher education with a comprehensive report detailing the extent to which the institution participated in the senior citizen tuition exemption under this chapter.

- (b) The report must include the following information:
 - (1) The number of senior citizens who qualified for a tuition exemption.
 - (2) The courses in which the senior citizens enrolled.
 - (3) The number of semester hours (or its equivalent) taken by senior citizens under this chapter.
- (4) Any other pertinent information required by the commission. SECTION 30. IC 20-12-21.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The commission



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1	for higher education under IC 20-12-0.5 Each eligible institution shall
2	provide the commission with the most recent information concerning:
3	(1) the number of minority students enrolled at each eligible
4	institution; and
5	(2) the number of individuals who are:
6	(A) enrolled at each eligible institution; and
7	(B) pursuing a course of study that would enable the student,
8	upon graduation, to be:
9	(i) licensed to teach special education in an accredited
10	school; or
11	(ii) certified to practice occupational therapy or licensed to
12	practice physical therapy in an accredited school, in a
13	vocational rehabilitation center under IC 12-12-1-4(1), or in
14	a community mental retardation or other developmental
15	disabilities center under IC 12-29 as part of the special
16	education program.
17	(b) The commission shall allocate the available money from the
18	fund to each eligible institution in proportion to the number of minority
19	students enrolled at each eligible institution as described in subsection
20	(a) based upon the information received by the commission under
21	subsection (a).
22	(c) Each eligible institution shall determine the scholarship
23	recipients under this chapter:
24	(1) based upon the criteria set forth in section 9 of this chapter or
25	section 9.1 of this chapter, whichever applies, and the rules
26	adopted by the commission under section 12 of this chapter; and
27	(2) with a priority on granting scholarships in the following order:
28	(A) Minority students seeking a renewal scholarship.
29	(B) Newly enrolling minority students.
30	(C) Special education services students seeking a renewal
31	scholarship.
32	(D) Newly enrolling special education services students.
33	However, the eligible institution may not grant a scholarship renewal
34	to a student for an academic year that ends later than six (6) years after
35	the date the student received the initial scholarship under this chapter.
36	(d) Any funds that:
37	(1) are allocated to an eligible institution; and
38	(2) are not utilized for scholarships under this chapter;
39	shall be returned to the commission for reallocation by the commission
40	to any other eligible institution in need of additional funds.
41	SECTION 31. IC 20-12-21.9-7 IS AMENDED TO READ AS
42	FOLLOWS [FFFECTIVE IIII V 1 1999]: Sec. 7 (a) The commission



1	for higher education Each eligible institution shall provide the
2	commission with the most recent information concerning the number
3	of nursing students enrolled at each eligible institution.
4	(b) The commission shall allocate the available money from the
5	fund to each approved institution of higher learning that has a nursing
6	program in proportion to the number of nursing students enrolled at
7	each eligible institution based upon the information received by the
8	commission under subsection (a).
9	(c) Each approved institution of higher learning shall determine the
10	scholarship recipients under this chapter based upon the criteria set
11	forth in section 8 of this chapter and the rules adopted by the
12	commission under section 10 of this chapter. In addition, the approved
13	institution of higher learning shall consider the need of the applicant
14	when awarding scholarships under this chapter.
15	(d) The approved institution of higher learning may not grant a
16	scholarship renewal to a student for an academic year that ends later
17	than six (6) years after the date the student received the initial
18	scholarship under this chapter.
19	(e) Any funds that:
20	(1) are allocated to an approved institution of higher learning; and
21	(2) are not utilized for scholarships under this chapter;
22	shall be returned to the commission for reallocation by the commission
23	to any other eligible institution in need of additional funds.
24	SECTION 32. IC 20-12-69-6 IS AMENDED TO READ AS
25	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The Indiana
26	excellence in teaching council is established. The council consists of
27	nine (9) eight (8) members as follows:
28	(1) One (1) representative of the commission for higher
29	education.
30	(2) (1) One (1) representative of the budget agency.
31	(3) (2) One (1) representative from each higher education
32	institution set forth in IC 20-12-5.5-1.
33	SECTION 33. IC 20-12-69-13 IS AMENDED TO READ AS
34	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. Staff for the council
35	shall be provided by the commission for higher education. budget
36	agency.
37	SECTION 34. IC 20-12-70-13 IS AMENDED TO READ AS
38	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) The Indiana
39	college placement and assessment center shall maintain the following:
40	(1) The agreements under section 2 of this chapter.
41	(2) The certifications under section 6 of this chapter.
42	(3) A comprehensive list of all eligible students under this



1	chapter.
2	(b) The commission shall have access to the information maintained
3	under this section.
4	(c) The commission, the Indiana college placement and assessment
5	center, the commission for higher education, the department of
6	education, and each approved secondary school shall work together in
7	implementing this program.
8	SECTION 35. IC 21-6.1-8-3 IS AMENDED TO READ AS
9	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Payments to the
10	Institution of Higher Education. If an institution of higher education
11	establishes a retirement benefit system applicable to employees of the
12	institution who otherwise qualify as members of the fund under
13	IC 21-6.1-4-1, the general assembly shall appropriate to the institution
14	of higher education for the purpose of this chapter an amount estimated
15	to be equal to seven and four-tenths percent (7.4%) of the
16	compensation of each employee who elects to be covered by the
17	institution's retirement benefit system rather than by the fund during all
18	or a portion of the period of the appropriation. The institution of higher
19	education shall estimate the sum and submit the estimate to the state
20	budget agency and to the commission on higher education for inclusion
21	in the institution's operating appropriation. The estimate shall be
22	submitted at the same time, but separate from, the institution's request
23	for an operating appropriation.
24	SECTION 36. IC 21-9-4-7 IS AMENDED TO READ AS
25	FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. In addition to any
26	power granted by this article, the board has all powers necessary or
27	convenient to carry out and effectuate the purposes and objectives of
28	this article, the purposes and objectives of the education savings
29	programs, and the powers delegated by law or executive order,
30	including the following powers:
31	(1) To develop and implement the education savings programs
32	and, notwithstanding any provision in this article to the contrary,
33	other savings programs and services consistent with the purposes
34	and objectives of this article, through:
35	(A) rules adopted under IC 4-22-2; or
36	(B) rules, guidelines, procedures, or policies established by the
37	board. and approved by the higher education commission.
38	(2) To retain professional services, including the following:
39	(A) Financial advisers and managers.
40	(B) Custodians and other fiduciaries.
41	(C) Investment advisers and managers.

(D) Accountants and auditors.



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1	(E) Consultants or other experts.	
2	(F) Actuarial services providers.	
3	(G) Attorneys.	
4	(3) To establish minimum account deposit amounts (both initial	
5	and periodic).	
6	(4) To employ persons, if the board chooses, and as may be	
7	necessary, and to fix the terms of their employment.	
8	(5) To recommend legislation to the governor and general	
9	assembly.	
10	(6) To apply for designation as a tax exempt entity under the	
11	Internal Revenue Code.	
12	(7) To adopt such rules, bylaws, procedures, guidelines, and	
13	policies as are necessary to carry out the education savings	
14	programs and other savings programs and services and the	
15	authority's management and operations.	
16	(8) To sue and be sued.	
17	(9) To provide or facilitate provision of benefits and incentives for	
18	the benefit of qualified beneficiaries, account owners,	
19	contributors, or account beneficiaries as the board's resources	
20	allow or as are directed or provided for by the general assembly.	
21	(10) To conform the education savings programs and other	
22	savings programs to federal tax advantages or incentives, as in	
23	existence periodically, to the extent consistent with the purposes	
24	and objectives of this article.	
25	(11) To interpret, in rules, policies, guidelines, and procedures,	
26	the provisions of this article broadly in light of the purposes and	
27	objectives of this article.	
28	(12) To charge, impose, and collect administrative fees and	
29	service charges in connection with any agreement, contract, or	
30	transaction under an education savings program or other savings	
31	program or services.	
32	(13) To have perpetual succession.	
33	SECTION 37. THE FOLLOWING ARE REPEALED [EFFECTIVE	
34	JULY 1, 1999]: IC 13-20-18-10; IC 20-12-0.5-2; IC 20-12-0.5-3;	
35	IC 20-12-0.5-4; IC 20-12-0.5-5; IC 20-12-0.5-6; IC 20-12-0.5-7;	
36	IC 20-12-0.5-8; IC 20-12-0.5-8.5; IC 20-12-0.5-9; IC 20-12-0.5-10;	

IC 20-12-0.5-11; IC 20-12-21-19; IC 20-12-64-13.

